



Amendments Offered under the Rule for Campaign Finance Reform

Wednesday, February 13, 2002

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AMENDMENTS IN THE NATURE OF A SUBSTITUTE (TIER ONE CONSIDERATION):

Armey Amendment in the Nature of a Substitute:

Bans soft money to the national parties, state and local parties (for federal election activities), and tax-exempt organizations that make expenditures in connection with a federal office. Bans the use of soft money by corporations and labor unions for nonpartisan voter registration and get-out-the-vote activities. Bans the use of soft money by tax-exempt organizations for get-out-the-vote activities. Bans the use of soft money for any partisan voter registration activities. Defines "federal election activity" to include voter registration activity, voter ID, get-out-the-vote activity, and generic activity connected with a federal election, and a public communication that refers to and supports or attacks a clearly identified federal candidate (regardless of express advocacy). "Public communication" would include *any* political advertising directed at an audience of 500 or more people.

(RSC Staff Vote Recommendation: AYE)

Ney Amendment in the Nature of a Substitute:

The text of this substitute is similar to the Shays bill (H.R. 417) that passed the 106th Congress.

Eliminates federal and state soft money that influences federal elections. Redefines the concept of "express advocacy," as it applies to campaign spending by independent groups and party organizations, to include radio and television communications that simply *refer* to a clearly identified federal candidate within 60 days of a general election and 30 days of a primary. Permits only hard money to be used for express advocacy ads. Requires candidates to file their campaign reports electronically and requires the FEC to post reports on the Internet. Bans political parties from making coordinated expenditures on behalf of those candidates who do not limit their own spending to \$50,000.

(RSC Staff Vote Recommendation: AYE)

Shays-Meehan Amendment in the Nature of a Substitute:

Sets November 6, 2002, as the effective date for soft money ban and other provisions. Sets January 1, 2003, as the effective date for contribution limits.

Maintains the large soft money loophole as follows: allows state and local parties to accept and spend \$10,000 of soft money per donor per year (when combined with hard money) for non-broadcast voter registration and get-out-the-vote activities that do not mention a federal candidate.

Allows Members of Congress to raise unlimited soft money for certain tax-exempt special interest groups.

Bans soft money contributions to the national political parties. Prohibits federal officeholders and candidates from raising soft money for political parties at the federal, state, and local levels.

Prohibits the use of corporate treasury and union dues money for broadcast communications that mention a federal candidate within 60 days of a general election or 30 days of a primary and which are targeted at the candidate's electorate. Allows the funding of such ads via corporate and union PACs. Requires individuals and groups to disclose contributions and expenditures for similar broadcast communications (excluding candidate debates).

Maintains the contribution limit to House candidates at \$1,000 but indexes this limit for inflation from a year-2003 baseline. Increases hard-money limits on individual contributions to Senate and Presidential campaigns to \$2,000 per election and for future years indexes these new limits for inflation from a year-2003 baseline. Requires the FEC to issue a new rule to define coordination with a candidate or political party. Requires broadcast television, cable, or satellite providers to charge candidates and national committees of political parties (within 45 days of a primary or 60 days of a general election) the lowest amount they have charged any other advertiser during the preceding 180 days.

Includes a severability provisions so that if any provision of the bill is held unconstitutional, all other provisions would remain in effect.

(RSC Staff Vote Recommendation: NO)

ARMEY TIER-TWO AMENDMENTS (not necessarily in order):

Hyde:

States that nothing in the Act shall violate the 1st Amendment to the Constitution, *Buckley v. Valeo*, or other related constitutional rulings.

(RSC Staff Vote Recommendation: AYE)

Pickering:

States that no restrictions or requirements in the Act shall apply to public communications that consist of information regarding the statements, actions, or positions

of a federal officeholder or candidate for federal office pertaining to the 2nd Amendment to the Constitution.

(RSC Staff Vote Recommendation: AYE)

Armey:

States that no restrictions or requirements in the Act shall apply to public communications that consist of information regarding the statements, actions, or positions of a federal officeholder or candidate for federal office pertaining to civil rights and issues affecting minorities.

(RSC Staff Vote Recommendation: AYE)

Johnson, Sam:

States that no restrictions or requirements in the Act shall apply to public communications that consist of information regarding the statements, actions, or positions of a federal officeholder or candidate for federal office pertaining to veterans, the military, or senior citizens (or the families of veterans, the military, or senior citizens).

(RSC Staff Vote Recommendation: AYE)

Combest:

States that no restrictions or requirements in the Act shall apply to public communications that consist of information regarding the statements, actions, or positions of a federal officeholder or candidate for federal office pertaining to workers, farmers, or families (or the families of workers or farmers).

(RSC Staff Vote Recommendation: AYE)

Emerson:

Closes the soft money loophole for state and local parties by requiring that state and local parties use hard money for all federal election activity.

(RSC Staff Vote Recommendation: AYE)

Reynolds:

Moves up the effective date to February 14, 2002. Any remaining soft money in accounts would be refunded on a *pro rata* basis to donors.

(RSC Staff Vote Recommendation: AYE)

Wicker:

Bans noncitizens from making campaign contributions in connection with any election.

(RSC Staff Vote Recommendation: AYE)

Ney:

Removes the building fund exemption for soft money.

(RSC Staff Vote Recommendation: AYE)

Ney-Wynn Amendment in the Nature of a Substitute (Tier-Two Consideration):

Bans soft money contributions to national political parties for federal election activities, including broadcast issue ads. Caps at \$25,000 per year the amount a national party

committee can accept in union or corporate soft money. Limits national party use of soft money to generic party voter registration, get-out-the-vote (GOTV) drives, and fundraising and overhead expenses. Bans soft money contributions of \$20,000 or more to a national political party committee for any purpose. Bans soft money contributions by individuals to the national parties.

Maintains the \$1,000 limit on hard-money contributions from individuals to candidates. Maintains the \$20,000 limit that a national party committee can accept in federal hard-money contributions from one individual. Provides for future annual indexing of hard money contribution limits to candidates and parties.

Requires disclosure within 24 hours to the FEC of name, address, phone number, list of officers, and the amount spent for ads by any group that purchases broadcast issue advertising that mentions a federal candidate within 120 days of a federal election.

Requires disclosure to the FEC of identifying information about groups that spend over \$50,000 for targeted mass communications (using *any* media format) that mention a federal candidate within 120 days of a federal election.

Prevents parties from matching large amounts of personal candidate spending.

Goes into effect immediately.

(RSC Staff Vote Recommendation: AYE)

SHAYS-MEEHAN TIER-TWO AMENDMENTS (not necessarily in order):

Wamp:

Increases the limit on individual (hard-money) contributions to House candidates from \$1,000 to \$2,000 per election. (Contributions would be indexed for inflation in future years—with year 2003 as the baseline.)

(RSC Staff Vote Recommendation: AYE)

Green (TX):

Strikes the Torricelli Amendment added to the Senate bill, which strengthened (i.e. made non-preemptible) the lowest-unit-rate benefit for candidates buying air time in the pre-election period. The Green Amendment leaves current law in place.

(RSC staff makes no vote recommendation for this amendment.)

Capito:

Allows a candidate running against a wealthy, self-financed opponent to raise hard money contributions at triple the usual contribution limit, and to receive additional coordinated party expenditures. The amount of these additional contributions and expenditures cannot exceed the total amount of personal wealth spent by the opponent.

These benefits are triggered when the wealthy opponent has spent more than \$350,000 of personal wealth, taking into account as offsets both the personal wealth spent by the non-wealthy candidate and the campaign war chests of both candidates. A wealthy candidate must notify the FEC, the opposing candidate, and his or her party, once he or she has spent \$350,000 of personal wealth, and file additional notices every \$10,000 thereafter. **(RSC staff makes no vote recommendation for this amendment.)**

The Shays-Meehan perfecting amendments are for the Shays substitute only. Reps. Shays and Meehan are not offering any perfecting amendments to the Arme y Substitute or the Ney Substitute.

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